

DEPARTMENT OF ENERGY
FY 1999 CONGRESSIONAL BUDGET REQUEST
OFFICE OF INSPECTOR GENERAL

PROPOSED APPROPRIATION LANGUAGE

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, [\$27,500,000] \$29,500,000, to remain available until expended.

DEPARTMENT OF ENERGY
FY 1999 CONGRESSIONAL BUDGET REQUEST
OFFICE OF INSPECTOR GENERAL
(Tabular dollars in thousands, Narrative in whole dollars)

PROGRAM MISSION

Major statutory responsibilities of the Office of Inspector General (OIG) as stated in section 4 of the Inspector General Act of 1978, as amended, 5 U.S.C. App.3, are to detect and prevent fraud, abuse, and violations of law and to promote economy, efficiency, and effectiveness in the operations of the Department of Energy (DOE). In addition, Congress has directed the OIG to assume other responsibilities, such as financial statement audits, investigation of certain reprisal complaints of contractor employees, and audit of the Department's Working Capital Fund.

The goals, objectives, and performance measures of the OIG are:

GOAL: Conduct statutorily required audits of the Department, which has four business lines (Energy Resources, National Security, Environmental Quality, and Science and Technology), enabling the public to rely on DOE's financial and management systems.

Objective:

- Complete Chief Financial Officers (CFO) Act, Government Management Reform Act (GMRA), and other audits by established due dates, to enable the Department to improve its fiscal integrity.

Performance Measures:

- Complete required financial statement audits by designated due dates in the law.
- Render an opinion annually on the Department's consolidated financial statements, system of internal controls, and compliance with laws and regulations.

Objective:

- Identify and report significant systems' deficiencies enabling the Department to take corrective action and demonstrate improved stewardship of public resources.

Performance Measures:

- Coordinate with Departmental management and other interested parties to identify and prioritize audit opportunities each fiscal year.
- Complete at least 60 percent of audits planned for the year and replace those audits not started with more significant audits which identify time-sensitive issues needing review.
- Achieve 85 percent acceptance/adoption rate on recommendations made in audit reports, thereby allowing DOE managers to take corrective, cost saving, or recoupment action(s).
- Devote at least 10 percent of available resources to subsequent reviews of areas to determine if DOE's commitment to the acceptance/adoption of previous recommendations has resulted in implementation of corrective actions.

GOAL: Conduct performance reviews which promote the efficient and effective operation of the Department's business lines.

Objective:

- Focus performance reviews on those issues and programs having the greatest potential for the protection or recovery of public resources.

Performance Measures:

- Complete reviews on key programs identifying areas with weaknesses or problems where resources are at risk.
- Recommend actions for the Department to diminish or alleviate the risks identified in the reviews above.
- Achieve 85 percent acceptance/adoption rate on recommendations made in performance review reports thereby allowing DOE managers to take corrective, cost saving, recoupment or disciplinary action(s).

Objective:

- Conduct oversight of DOE's intelligence programs to prevent violations of public trust.

Performance Measures:

- Achieve 85 percent acceptance/adoption rate on recommendations made in intelligence oversight review reports thereby allowing DOE managers to take corrective, cost saving, recoupment or disciplinary action(s).
- Provide the Intelligence Oversight Board with required quarterly reports of OIG intelligence oversight activity to increase confidence that Departmental intelligence activities are conducted appropriately.

GOAL: Conduct investigations to enhance the credibility of the Department and integrity of its business lines by aggressively pursuing fraud, waste, and abuse, and reporting on those engaged in such practices.

Objective:

- Focus investigations on allegations of serious violations of Federal law, to permit successful prosecutions that maximize recovery of public resources, and the deterrence of future wrongdoing.

Performance Measure:

- Obtain acceptance of 75 percent of cases presented for prosecution, thus permitting prosecutors to pursue maximum monetary recovery from, and punishment of, wrongdoers.

Objective:

- Increase inter-agency cooperative efforts to combat fraud, waste, and abuse.

Performance Measure:

- Increase joint agency task force activity by 10 percent, affording the opportunity to protect and deter criminal activity while maximizing resource use efficiency.

GOAL: Conduct inquiries which assist the Department in fostering public confidence in the Department's integrity, commitment to fairness, and willingness to take corrective action.

Objective:

- Conduct allegation-based inquiries which enable the Department to hold employees and contractors accountable to the highest standards of honesty, objectivity and integrity.

Performance Measures:

- Achieve 85 percent acceptance/adoption rate on recommendations made in allegation-based inspection reports thereby allowing DOE managers to take corrective, cost saving, recoupment or disciplinary action(s); and promoting increased confidence in the integrity of DOE management actions and processes.
- Decrease the average number of days to process mismanagement, integrity and abuse allegations by five percent, thereby assisting management through more timely resolution of complaints and increasing confidence in management actions and processes.
- Refer 80 percent of referrals to management within three weeks of the referral case being initiated.

Objective:

- Conduct inquiries into contractor-employee whistleblower reprisal allegations to enhance public trust by fostering an open, non-retaliatory environment throughout the Department.

Performance Measure:

- Decrease the average number of days to process whistleblower reprisal cases by five percent, thereby encouraging employee willingness to raise concerns regarding safety, environment, health, fraud, waste, abuse or mismanagement which promotes worker and public safety, economy and efficiency, and stewardship of public resources.

SIGNIFICANT CHANGES:

1. The FY 1999 request of \$29.5 million funds the authorized ceiling of 266 FTEs and basic support requirements.
2. Numerous requirements have been imposed on the OIG in recent years. These externally-directed (e.g., from Congress, OMB, and GAO) uses of OIG resources have seriously compromised the OIG's discretion in pursuing its basic mission as defined in the Inspector General Act of 1978, as amended. For example, the Chief Financial Officers Act of 1990 and Government Management Reform Act of 1994 require audit of Departmental financial statements; the Federal Managers' Financial Integrity Act of 1982

requires an annual opinion on all Departmental FMFIA assurance letters and on the status of internal controls; the Federal Acquisition Streamlining Act of 1994 requires investigation of certain contractor employee whistleblower reprisal complaints; appropriations language creating the Department's Working Capital Fund (begun in FY 1997) requires an annual OIG audit of the Fund; and an OMB Circular requires the OIG to audit the Department's value engineering program. These requirements, in combination with reduced resources, have required the OIG to divert resources from important other projects.

Because the OIG is a revenue-positive, "level of effort" organization, more funding will mean greater returns. In short, the value of the OIG's accomplishments is directly proportional to resource levels invested. In recent years, for example, the OIG has identified attainable economies and efficiencies which have provided a positive dollar impact of approximately \$3.2 million per audit employee per year.

3. At the requested funding level, the OIG will focus additional resources on the backlog of critical workload which has developed due to the situation described above by:
 - beginning to decrease the current number of Department sites assessed as "high risk" (26 of 42) due to inadequate audit coverage by performing a number of revenue-positive performance audits at some of these major facilities (to include at least one audit per year at major DOE facilities, such as Los Alamos, Livermore, and Berkeley Labs, with annual obligations of \$2.4 billion).
 - increasing case referrals to the Department of Justice for prosecution by 10 percent, reversing the decline in number of cases presented and accepted for prosecution due to the loss of one-third of investigative staff since 1994;
 - beginning to investigate the 15-20 percent of open cases backlogged due to limited resources, such as
 - theft of governmental property cases under \$25,000
 - fraudulent invoices at national labs
 - product substitution and grant fraud cases
 - increasing oversight of the Department's intelligence activities in response to significant issues which have recently developed, and of its security activities at highly visible sites like Rocky Flats.

Office of Inspector General
Program Funding Profile
(Dollars in Thousands)

| <u>Program</u> | <u>FY 1997 Current Appropriation</u> | <u>FY 1998 Original Appropriation</u> | <u>FY 1998 Adjustments</u> | <u>FY 1998 Current Appropriation</u> | <u>FY 1999 Budget Request</u> |
|-----------------------------|--|---|--------------------------------|--|---------------------------------------|
| Office of Inspector General | \$ 24,750 | \$ 27,500 | \$ - | \$ 27,500 | \$ 29,500 |
| Subtotal | \$ 24,750 | \$ 27,500 | \$ - | \$ 27,500 | \$ 29,500 |
| Adjustment * | (897) | - | - | - | - |
| TOTAL | \$ 23,853 | \$ 27,500 | \$ - | \$ 27,500 | \$ 29,500 |

* Adjustment reflects use of estimated prior year unobligated balances and is consistent with Congressional base table. In FY 1997 the appropriation of \$23.9 million plus use of an unobligated balance of \$4.6 million resulted in total program costs of \$28.5 million, exhausting unobligated balances.

Public Law Authorizations:

Pub. Law 95-452, The Inspector General Act of 1978

Office of Inspector General
Operating Expenses

I. Mission Supporting Goals and Objectives:

This activity conducts audits, inspections, investigations, and other reviews to fulfill the statutory duties and responsibilities of the OIG. Audits are conducted to provide independent evaluation of the Department's operating and administrative programs and include an assessment of the Department's financial and management control system and procedures. Inspections are conducted to review administrative allegations received by the OIG, review management systems for economy and efficiency, and process referrals of allegations to Department management for appropriate action. Investigations are conducted to determine prohibited or improper activities against DOE by its contractors, vendors, grantees, and employees. Inquiries are conducted to resolve whistleblower complaints of reprisal by contractor employees.

II. Funding Schedule: (Dollars in Thousands)

| | <u>FY 1997 Current Appropriation</u> | <u>FY 1998 Original Appropriation</u> | <u>FY 1998 Adjustments</u> | <u>FY 1998 Current Appropriation</u> | <u>FY 1999 Budget Request</u> |
|-------------------------|--|---|--------------------------------|--|---------------------------------------|
| Total Inspector General | | | | | |
| Salaries and Benefits | \$ 24,750 | \$ 21,528 | - | \$ 21,528 | \$ 22,873 |
| Travel | - | 1,139 | - | 1,139 | 1,278 |
| Support Services | - | 1,907 | - | 1,907 | 2,457 |
| Other Related Expenses | - | 2,926 | - | 2,926 | 2,892 |
| Total | <u>\$ 24,750</u> | <u>\$ 27,500</u> | <u>-</u> | <u>\$ 27,500</u> | <u>\$ 29,500</u> |
| FTEs Authorized | 331 | 290 | | 290 | 266 |
| FTEs Fundable | 291 * | 251 | | 251 | 266 |

* Actual

The FY 1997 appropriation did not fully fund salaries and benefits for authorized staffing level (remaining expenses funded from prior year balances). The FY 1998 current appropriation funds only 251 FTEs, or 39 below the authorized ceiling of 290 FTEs, and does not fully fund contractor audit/expertise requirements. The working capital fund is included in other related expenses at approximately \$1.7 million for FY 1998 and FY 1999.

Office of Inspector General
Program Funding by Site
(Dollars in Thousands)

| Field Office/Site | FY 1997 Current Appropriation | FY 1998 Original Appropriation | FY 1998 Adjustments | FY 1998 Current Appropriation | FY 1999 Budget Request |
|---------------------------|-------------------------------------|--------------------------------------|------------------------|-------------------------------------|------------------------------|
| Washington, D.C.: | | | | | |
| Headquarters | \$ 4,253 | \$ 4,896 | - | \$ 4,896 | \$ 5,270 |
| Field Services Activities | 3,657 | 4,113 | - | 4,113 | 4,149 |
| Germantown (a) | 3,232 | 4,182 | - | 4,182 | 4,729 |
| Chicago | 510 | 509 | - | 509 | 490 |
| Cincinnati | 680 | 678 | - | 678 | 783 |
| New Orleans | 510 | 509 | - | 509 | - |
| Oak Ridge | 2,722 | 3,102 | - | 3,102 | 3,157 |
| Princeton | 510 | 509 | - | 509 | 587 |
| Savannah River | 1,276 | 1,272 | - | 1,272 | 1,371 |
| Pittsburgh | 765 | 763 | - | 763 | 1,175 |
| Albuquerque | 2,466 | 2,811 | - | 2,811 | 3,274 |
| Denver | 765 | 763 | - | 763 | 979 |
| Idaho Falls | 680 | 678 | - | 678 | 685 |
| Las Vegas | 510 | 509 | - | 509 | 587 |
| Livermore | 1,021 | 1,018 | - | 1,018 | 1,077 |
| Los Alamos | 340 | 339 | - | 339 | 392 |
| Richland | 853 | 849 | - | 849 | 795 |
| SUBTOTAL | \$ 24,750 | \$ 27,500 | - | \$ 27,500 | \$ 29,500 |
| ADJUSTMENT (b) | (897) | | | | |
| TOTAL | \$ 23,853 | \$ 27,500 | - | \$ 27,500 | \$ 29,500 |

(a) Includes Capital Region field sites.

(b) Use of estimated prior year unobligated balances consistent with Congressional base table. The FY 1997 appropriation of \$23.9 million plus an unobligated balance of \$4.6 million resulted in total program costs of \$28.5 million, exhausting the unobligated balance.

III. Performance Summary: Office of Inspector General (OIG)

FY 1997 Measurable Performance Activities

Budget Authority (000): \$23,853

Accomplishments for FY 1997 include:

- Issued 80 audit reports with a potential dollar impact of \$270,327,259.
- Met the requirements of the Chief Financial Officers (CFO) Act of 1990 and the Government Management Reform Act of 1994 which included issuing the report on the “Audit of the U.S. Department of Energy’s Consolidated Financial Statements for FY 1996.”
 - Completed first audit of the Department’s consolidated financial statements (one of just four cabinet-level departments to meet the March 1, 1997, deadline mandated by Congress).
 - The report included the OIG’s opinion that the Department’s financial statements presented fairly, in all material respects, the financial position of the Department as of September 30, 1996, and the results of its operations and changes in net position for the year then ended. The report was a hallmark event for the Department in that it was the culmination of a multi-phased effort by the OIG to audit the statements of the Department, providing nationwide coverage of the Department’s financial management activities including 29 financial reporting entities which were subject to detailed testing.
 - The Consolidated Statement of Financial Position reported total assets of \$94 billion and total liabilities of \$264.5 billion including an Unfunded Environmental Liability of \$227.7 billion, which represented the environmental remediation costs of nuclear weapons production.
 - The Consolidated Statement of Operations and Changes in Net Position reported total revenues and financing sources of \$25 billion and total expenses of \$33.9 billion.
 - The consolidated financial statements audit is a mandated yearly requirement which is unprecedented in its scope and resource demands on the OIG.
- Recommended that the Department emphasize the need for effective evaluations of current and future mission needs as part of the annual approval process for ongoing and planned construction projects. The importance of this is highlighted by the Department’s \$18 billion FY 1996 budget submission which included approximately \$1.1 billion for construction projects.
- Determined that the Department could transfer land valued at \$126 million to other Federal or state agencies, or a portion could be sold for private use. The Department’s liability for payments in lieu of taxes on purchased land could be reduced

by \$1.7 million annually. The Department, in contravention of Federal regulations that require executive agencies to hold only that land necessary to economically and efficiently support mission related activities, has issued a land use policy expanding land management activities and has begun seeking public and private ideas for new land uses.

- Determined that the \$58 million railroad system at the Hanford Site was not fully used to support the Richland Operations Office's environmental programs. This asset was not integrated into Hanford's activities. Richland planned to excess and dispose of the system, and potential system users were discouraged from considering it for use in their cleanup plans. The audit showed that if Richland incorporated the railroad system into the transportation segment of one ongoing project, the Department could save about \$29 million over the life of that project. In addition, by using the railroad system to transport material, the risk of accidents is significantly reduced.
- Showed that while Richland Operations Office's groundwater monitoring was mission essential, it was not performed in the most cost-effective manner. Work performed by the three principal contractors overlapped, resulting in duplicative groundwater monitoring activities costing the Department at least \$700,000 more than it should have in FYs 1995 and 1996. Moreover, at least \$500,000 annually could be saved by implementing action to ensure coordination of the contractors' work for Hanford's groundwater monitoring.
- Conducted investigations which resulted in 109 investigations closed, 33 investigations referred for prosecution with 30 accepted, 18 indictments, 20 convictions, 30 investigations referred to management for recommended positive action, 23 administrative disciplinary actions taken, and \$4,292,773 in fines, settlements, and recoveries. Some of the more significant investigations include the following:
 - Disclosed evidence in an investigation of Work For Others projects at Lawrence Livermore National Laboratory of cost mischarging related to overruns, loans, non-deobligations, and transactions that were inadequately explained and/or supported. The Assistant United States Attorney issued a demand letter to the Laboratory and a settlement agreement for over \$2.7 million was reached.
 - Determined in an investigation into allegations that two principals of a Government contractor had directed their employees to falsely charge non-Department work to the contract that the total loss to the Department was over \$1.6 million. Both defendants pled guilty in a criminal case and were sentenced, and agreed to a civil settlement that resulted in fines and self-debarment for three and five years. The company was also fined and debarred for three years.
 - Determined that two subcontractor employees, a husband and wife, fraudulently received about \$31,653 in per diem subsistence based on false representations. The United States Attorney filed an indictment against both subjects. The

husband was sentenced to 6 months home detection and was fined. The wife entered into a pretrial diversion agreement requiring her to make restitution and to be supervised for a 24 month probationary period.

- Investigated allegations that a Department employee submitted false Government employment documents to obtain pension and salary benefits to which the employee was not entitled; resulted in restitution of \$100,483.
 - Determined that a community action agency had fraudulently obtained Federal funds, including the Department's weatherization funds. The investigation led to indictments against two former directors of the agency, with one sentenced to 30 months incarceration and fined \$18,000, and the other sentenced to 10 years imprisonment and ordered to pay \$150,000 in restitution.
- Issued 28 inspection reports, with management implementing 122 recommendations to improve operations of the Department. Some of the more significant efforts include the following:
 - Identified internal control weaknesses in the execution and planning of foreign travel by the former Secretary of Energy.
 - Identified internal control weaknesses in the management and administration of a \$14.2 million Performance Based Incentive (PBI) Program.
 - Identified deficiencies in design and construction of a Department nuclear materials storage facility.
 - Identified portions of a contractor's personal property management system that did not meet the requirements of the Department's property management regulations.
 - Managed the OIG evaluation of 13 qui tam actions, pursuant to the provisions of the False Claims Act, to provide input to the Department of Justice for determining appropriate action.
 - Reported quarterly to the Intelligence Oversight Board, as required by Executive Order 12863, "President's Foreign Intelligence Advisory Board," and continued oversight of the Department's intelligence activities in accordance with Executive Order 12333, "United States Intelligence Activities."
 - Managed the OIG review of 17 proposed regulations relating to the Department's programs and operations as required by the Inspector General Act of 1978, as amended.
 - Closed 80 Freedom of Information Act requests.

FY 1998 Measurable Performance Activities

Budget Authority (000): \$27,500

- Meet the requirements of the Chief Financial Officers (CFO) Act of 1990 and the Government Management Reform Act (GMRA) of 1994 for audited departmental financial statements. Include audit results in performance audits of the Department's primary functions and facilities.
- Audit the Department's efforts in work force restructuring and economic development, environmental programs, the implementation of performance-based contracting, and realignment initiatives (including streamlining organizational structure and flow) for economy and efficiency.
- Focus investigations on allegations of serious violations of Federal law, to permit successful prosecutions that maximize recovery of public resources, and the deterrence of future wrongdoing by:
 - Increasing the number of complex criminal and civil matters presented before the United States Attorney by 10 percent above the previous yearly total of 33 matters.
 - Increasing the acceptance rate of cases presented for prosecution to 75 percent.
 - Increasing investigative case opening thresholds by giving priority to opening cases in which there is the greatest potential for prosecutorial consideration and the loss to the government exceeds a significant monetary return or impact on government operations.
 - Initiating studies of Departmental program areas most vulnerable to fraud, waste, and abuse, and focusing investigative resources on those areas.
- Increase inter-agency cooperative efforts to combat fraud, waste, and abuse, and to maximize resource use efficiency by:
 - Increasing joint agency task force participation from 20 percent to 30 percent of total open cases.
 - Developing a uniform concept for increasing liaison activities throughout all regional offices with regard to contacts within the law enforcement community, Departmental operations, and United States Attorneys.
- Conduct administrative allegation inspections of allegations of waste or mismanagement that have high visibility with Department senior managers, members of Congress and the public; continue to review management systems issues that are identified during administrative allegation reviews; and conduct inquiries to resolve allegations of whistleblower reprisals against contractor employees. An increase in whistleblower reprisal allegation cases is expected due to continued contractor downsizing.

- Manage the referral of Hotline allegations to Department management or other agencies for appropriate action. Due to the decrease in OIG staffing, the number of referrals to management is expected to increase, while the OIG's capability to review management corrective actions would be reduced.
- Manage the OIG review of existing and proposed legislation and regulations relating to the Department's programs and operations in compliance with the Inspector General Act.
- Report quarterly to the Intelligence Oversight Board, and perform oversight of the Department's intelligence activities that are conducted in accordance with Executive Order 12333, "United States Intelligence Activities," as required by Executive Order 12863, "President's Foreign Intelligence Advisory Board."
- Manage the OIG evaluation of and response to the Department of Justice on qui tam actions filed pursuant to the provisions of the False Claims Act.
- Provide technical advice to Headquarters and field offices that are involved with the implementation or modification of the Department's whistleblower protection program.
- Respond to Freedom of Information Act requests to the extent resources permit.

FY 1999 Measurable Performance Activities

Budget Request (000): \$29,500

- Meet the requirements of the Chief Financial Officers (CFO) Act of 1990 and the Government Management Reform Act (GMRA) of 1994 for audited departmental financial statements. Include audit results in performance audits of the Department's primary functions and facilities.
- Perform at least one revenue-positive performance audit at major Departmental facilities to include Los Alamos, Livermore, and Berkeley Labs, with annual obligations of \$2.4 billion.
- Audit the Department's efforts in work force restructuring and economic development, environmental programs, the implementation of performance-based contracting, and realignment initiatives (including streamlining organizational structure and flow) for economy and efficiency.
- Continue to focus investigations on allegations of serious violations of Federal law, to permit successful prosecutions that maximize recovery of public resources, and the deterrence of future wrongdoing by:
 - Increasing the percentage of complex criminal and civil matters presented before the United States Attorney by 10 percent above the previous yearly average.
 - Continuing the acceptance rate of cases presented for prosecution at 75 percent.

- Increasing investigative case opening thresholds by giving priority to opening cases in which there is the greatest potential for prosecutorial consideration and the loss to the Government exceeds a significant monetary return or impact on government operations.
- Continuing studies of Departmental program areas most vulnerable to fraud, waste, and abuse, and focusing investigative resources on those areas.
- Begin investigating the 15-20 percent of open cases which have not been worked due to limited resources, such as theft of governmental property cases under \$25,000, fraudulent invoices at national labs, product substitution cases, and grant fraud cases.
- Continue to increase inter-agency cooperative efforts to combat fraud, waste, and abuse, and to maximize resource use efficiency by increasing interagency task force participation by 10 percent above previous year.
- Conduct administrative allegation inspections of allegations of waste or mismanagement that have high visibility with Department senior managers, members of Congress and the public; continue to review management systems issues that are identified during administrative allegation reviews; and conduct inquiries to resolve allegations of whistleblower reprisals against contractor employees. An increase in whistleblower reprisal allegation cases is expected due to continued contractor downsizing.
- Manage the referral of Hotline allegations to Department management or other agencies for appropriate action. Due to the decrease in OIG staffing, the number of referrals to management is expected to increase, while the OIG's capability to review management corrective actions would be reduced.
- Manage the OIG review of existing and proposed legislation and regulations relating to the Department's programs and operations in compliance with the Inspector General Act.
- Report quarterly to the Intelligence Oversight Board, and perform oversight of the Department's intelligence activities that are conducted in accordance with Executive Order 12333, "United States Intelligence Activities," as required by Executive Order 12863, "President's Foreign Intelligence Advisory Board."
- Increase oversight of the Department's intelligence and security activities due to significant concerns which have recently developed.
- Manage the OIG evaluation of and response to the Department of Justice on qui tam actions filed pursuant to the provisions of the False Claims Act.

- Provide technical advice to Headquarters and field offices that are involved with the implementation or modification of the Department's whistleblower protection program.
- Respond to Freedom of Information Act requests to the extent resources permit.

IV. Explanation of Funding Changes from FY 1998 Current appropriation to FY 1999 Budget Request (in thousands):

| | |
|---|-------------|
| - Salaries/Benefits increases to fund authorized staffing ceiling of 266 FTEs (increase of 15 FTEs; in FY 1998 the fundable staffing level is 39 FTEs below the authorized ceiling), and base salary increases..... | + \$1,345 |
| - Travel increases due to staffing increase and inflation..... | + 139 |
| - Support Services increases to fully fund contractor audit/expertise support needed to meet statutory requirements such as the Chief Financial Officers (CFO) Act of 1990 and the Government Management Reform Act (GMRA) of 1994..... | + 550 |
| - Other Related Expenses decreases..... | - <u>34</u> |
| | + \$ 2,000 |

SUPPORT SERVICES / OTHER RELATED EXPENSES
OFFICE OF INSPECTOR GENERAL
(\$000)

| | <u>FY 1997</u> | <u>FY 1998</u> | <u>FY 1999</u> | <u>FY 1999/ FY 1998 Change</u> |
|--|----------------|----------------|----------------|--|
| Support Services | | | | |
| Consulting service (non-governmental contracts) | \$ 976 | \$ 1,200 | \$ 1,750 | \$ 550 |
| Other services | | | | |
| ADP Support | 700 | 700 | 700 | - |
| Library Services | 7 | 7 | 7 | - |
| Total Support Services | \$ 1,683 | \$ 1,907 | \$ 2,457 | \$ 550 |
| Other Related Expenses | | | | |
| Working Capital Fund | \$ 1,769 | \$ 1,705 | \$ 1,708 | \$ 3 |
| Training | 62 | 140 | 160 | 20 |
| Other | 862 | 1,081 | 1,024 | (57) |
| Total Other Related Expenses | \$ 2,693 | \$ 2,926 | \$ 2,892 | \$ (34) |
| Total Obligational Authority | \$ 24,750 | \$ 27,500 | \$ 29,500 | \$ 2,000 |
| Use of Prior-Year Balances* | (897) | - | - | \$ - |
| Total Budget Authority | \$ 23,853 | \$ 27,500 | \$ 29,500 | \$ 2,000 |

In FY 1997 all support services and other related expenses are funded from prior year balances.

* Use of estimated prior year unobligated balances is consistent with Congressional base table. The FY 1997 appropriation of \$23.9 million plus an unobligated balance of \$4.6 million resulted in total program costs of \$28.5 million, exhausting the unobligated balance.

DEPARTMENT OF ENERGY
ANNUAL PERFORMANCE PLAN
OFFICE OF INSPECTOR GENERAL
(Tabular dollars in thousands, Narrative in whole dollars)

PROGRAM MISSION

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Some of the goals, objectives, and performance measures of the OIG are:

GOAL: Conduct statutorily required audits of the Department, which has four business lines (Energy Resources, National Security, Environmental Quality, and Science and Technology), enabling the public to rely on DOE's financial and management systems.

FY 1999 success will be measured in part by:

- Completing required financial statement audits by designated due dates in the law.
- Rendering an opinion annually on the Department's consolidated financial statements.
- Completing at least 60 percent of audits planned for the year and achieving 85 percent acceptance/adoption rate on recommendations.

GOAL: Conduct performance reviews which promote the efficient and effective operation of the Department's business lines.

FY 1999 success will be measured in part by:

- Completing reviews on key programs identifying areas with weaknesses or problems where resources are at risk.

- DOE managers accepting/adopting 85 percent of recommendations.

GOAL: Conduct investigations to enhance the credibility of the Department and integrity of its business lines by aggressively pursuing fraud, waste, and abuse, and reporting on those engaged in such practices.

FY 1999 success will be measured in part by:

- Obtaining acceptance of 75 percent of the cases presented for prosecution, thus permitting prosecutors to pursue maximum monetary recovery from, and punishment of , wrongdoers.

GOAL: Conduct inquiries which assist the Department in fostering public confidence in the Department's integrity, commitment to fairness, and willingness to take corrective action.

FY 1999 success will be measured in part by:

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